

May 12, 2014

DRIVE SHACK INC.

Newcastle Announces Sale of Manufactured Housing Portfolio

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. ("Newcastle" or the "Company," NYSE:NCT) announced today that it has completed the sale of its manufactured housing portfolio. The portfolio had a face amount of \$222 million and was sold at a price of 104% of par, or \$231 million of proceeds.

Part of the proceeds from the sale will be used to pay off the current debt on the portfolio at par, including \$132 million of third-party debt and \$20 million of debt owned by CDO VIII and CDO IX.

The sale resulted in total proceeds to Newcastle of \$85 million. Newcastle received \$79 million of proceeds relating to its equity investment in the portfolio and \$6 million of net proceeds through its ownership in the senior class of CDO VIII.

Newcastle's cost basis in the portfolio was 93% of par. The sale will generate a gain of approximately \$20 million in the second quarter of 2014 after deal expenses and unamortized discount on third-party debt.

ABOUT NEWCASTLE

The Company focuses on investing in, and actively managing, real estate related assets and primarily invests in: (1) Senior Housing Assets (2) Real Estate Debt and (3) Golf & Other Investments. The Company conducts its operations to qualify as a real estate investment trust ("REIT") for federal income tax purposes. The Company is managed by an affiliate of Fortress Investment Group LLC, a global investment management firm.

FORWARD-LOOKING STATEMENTS

Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. The Company can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" in the Company's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. The Company

expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Newcastle Investment Corp.
Investor Relations
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Source: Newcastle Investment Corp.